



The Weekly Observer

December 1-5

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Japan-China Rift Continues

The Japan-China rift over Prime Minister Takaichi Sanae's "Taiwan contingency" remarks continue, with the Japanese Ambassador to the UN Yamazaki Kazuyuki sending another letter to UN Secretary General António Guterres on Thursday contesting China's "unsubstantiated and categorically unacceptable" claims in a letter sent on Monday, stating that Japan seeks dialogue to resolve the differences of views.

The Chinese foreign ministry stated on Thursday that Takaichi's explanation a day earlier that Japan's position on Taiwan has not changed since the 1972 joint communiqué cannot be accepted and that she must retract her November remarks.

China has ramped up its military activities too, with aircraft carrier Liaoning conducting a takeoff and landing exercise for fighter jets and helicopters in the Pacific Ocean on Friday and Saturday. The number of vessels at one point reached over a hundred vessels.

LDP and Ishin Strike Deal on Bill to Reduce Diet Member Seats

On Monday, Takaichi and Ishin leader Yoshimura Hirofumi agreed to submit legislation during the Diet session to reduce the number of Lower House Diet members by 10 percent as early as FY 2027 and to automatically trigger the reduction if a conclusion is not reached on the specifics within a year since the bill's enactment.

The two parties aim for a reduction by forty-five seats, twenty-five in single-member districts and twenty in proportional representation. Ishin initially demanded a fifty-seat reduction on the proportional side, but the LDP pushed back in order to ensure opposition parties support the initiative.

The bill was submitted on Friday with the goal of enacting it by the end of the Diet session on December 17. Some LDP members are opposing the automatic reduction clause. The bill establishes a cross-party council under the Speaker of the House to discuss the specifics.

Cabinet Approval



75% (+1 pt.)

18% (-1 pt.)

[Nihon Keizai Shimbun](#) (November 30)

State of the Economy

Consumer Confidence Index (Nov.):
37.5 (-1.7 pts.)
4th consecutive month improvement
Maintained assessment that confidence is "recovering"

Corporate Financial Statements (July-Sept.):
Ordinary profit rose 19.7% to ¥27.54 trillion (record high)
Capital investment rose 2.9%

Index of Business Conditions (Oct.):
115.4 (+0.5 pts.)
2nd consecutive month improvement
Maintained assessment that situation is "halting to fall"